



# PUBLIC NOTICE

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## WIRELINE COMPETITION BUREAU SEEKS COMMENT ON PROPOSED CHANGES TO THE 2022 FCC FORM 499-A, FCC FORM 499-Q, AND ACCOMPANYING INSTRUCTIONS

WC Docket No. 06-122

Comment Date: August 2, 2021

The Wireline Competition Bureau (Bureau) seeks comment on proposed revisions to the (1) 2022 annual Telecommunications Reporting Worksheet, FCC Form 499-A (Form 499-A) and accompanying instructions (Form 499-A Instructions) to report 2021 revenues,<sup>1</sup> and (2) 2022 quarterly Telecommunications Reporting Worksheet, FCC Form 499-Q (Form 499-Q) and accompanying instructions (Form 499-Q Instructions) to report projected 2022 collected revenues on a quarterly basis.<sup>2</sup>

The Bureau has delegated authority to revise these FCC forms and accompanying instructions to, among other things, ensure “sound and efficient administration of the universal service programs,”<sup>3</sup> and to promote clarity, transparency and predictability.

<sup>1</sup> The Communications Act of 1934 (Act), as amended, requires that the Commission establish mechanisms to fund universal service, interstate telecommunications relay services, the administration of the North American Numbering Plan, and the shared costs of local number portability administration. 47 U.S.C. §§ 151, 225, 251, 254. To accomplish these congressionally-directed objectives, the Commission requires telecommunications carriers and certain other providers of telecommunications (including Voice-over-Internet-Protocol (VoIP) service providers) to report each year on the Form 499-A the revenues they receive from offering service. See 47 CFR §§ 52.17(b), 52.32(b), 54.708, 54.711, 64.604(b)(5)(iii)(B). The Form 499-A is due on April 1 of each year. See Universal Service Administrative Company Schedule of Filings <http://usac.org/cont/about/when-to-file.aspx>.

<sup>2</sup> Sections 54.706, 54.711, and 54.713 of the Commission’s rules require all telecommunications carriers providing interstate telecommunications services, interconnected VoIP providers that provide interstate telecommunications, providers of interstate telecommunications that offer interstate telecommunications for a fee on a non-common carrier basis, and payphone providers that are aggregators to contribute to the universal service fund and file a Form 499-Q on February 1, May 1, August 1, and November 1 of each year. 47 CFR §§ 54.706, 54.711, 54.713.

<sup>3</sup> *Changes to the Board of Directors of the National Exchange Carrier Association, Inc.; Federal-State Joint Board on Universal Service*, CC Docket Nos. 96-45, 97-21, Report and Order and Second Order on Reconsideration, 12 FCC Rcd 18400, 18442, para. 81 (1997) (“Because it is difficult to determine in advance precisely the information that will be needed to administer the new universal service programs, the [Common Carrier, now Wireline Competition] Bureau will have delegated authority to waive, reduce, or eliminate contributor reporting requirements that may prove unnecessary. The Bureau also will have delegated authority to require any additional contributor reporting requirements necessary to the sound and efficient administration of the universal service programs.”). Consistent with this authority, the Bureau annually revises the Telecommunications Reporting Worksheet Instructions to provide direction and guidance for complying with existing rules and requirements. See 47 CFR § 54.711(c). The Form 499s and accompanying instructions are modified based on experience in administering the universal service program and explicit rulings by the Commission or the Bureau. See, e.g., *Universal Service*

(continued....)

Redlined versions of the forms and instructions showing proposed changes from the forms and instructions currently in effect are attached to this Public Notice. The proposed revisions to the 2022 Forms 499-A and 499-Q and the accompanying instructions, as applicable, are summarized below:

Changes to the 2022 FCC Form 499-A Instructions:

- **Clarifications:**

- Page 7 is updated to clarify that a *de minimis* provider may still have an indirect contribution obligation through USF pass-through fees assessed by an underlying wholesale provider.
- Page 9 is updated to clarify that systems integrators have an obligation to file the Form 499-A even if they do not have a USF contribution obligation because they may have an obligation to contribute to other support mechanisms (TRS, NANPA, or LNPA).
- Page 14 is updated to clarify that traffic studies also include international revenues.
- Pages 24 and 29 are updated to clarify that non-USF revenues received as support from the federal or state governments may be reported on Line 308, including from programs such as the Emergency Connectivity Fund, Emergency Broadband Benefit Program, and the COVID-19 Telehealth Program.
- Page 34 is updated to clarify that any charge identified on a bill as recovering contributions to state universal service support mechanisms must be shown on Line 403 and included in column (a) in the total.
- Page 34 is updated to clarify that Line 418 includes revenue from the provision of broadband transmission service offered on a common-carrier basis by rate-of-return carriers that are exempt from contribution obligations on those services pursuant to Commission order.
- Page 39 is updated to clarify that reseller certifications must be signed by an employee of the customer rather than a third-party representative or consultant.
- Page 41 is updated to clarify how filers should report good-faith estimates of interstate and international revenues, consistent with USAC's E-file system configuration requirements, which does not support figures reported in percentages.
- Page 42 is updated to clarify that a safe harbor can be applied to revenues reported on Line 311.
- Page 51 is updated to provide an active link for other common filing requirements for telecommunications carriers and other providers of interstate telecommunications.

Changes to the 2022 Form 499-Q Instructions:

- **Circularity Factor Update:** The circularity factor will be adjusted and updated in the Form 499-Q instructions based upon the quarterly contribution factors subsequent to the Fourth Quarter 2021 contribution factor announcement.<sup>4</sup>

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*Contribution Methodology et al.*, WC Docket No. 06-122 et al., Report and Order and Notice of Proposed Rulemaking, 21 FCC Rcd 7518, 7533-50, paras. 24-62 (2006).

<sup>4</sup> See *Federal-State Joint Board on Universal Service, et al.*, Report and Order and Second Further Notice of Proposed Rulemaking, 17 FCC Rcd 24952, 24971, para. 35 (2002).

Changes to both the 2022 Form 499-A and Form 499-Q, where applicable, and instructions:

- **Date Changes:** Dates are updated throughout the Form 499s and instructions. References to “2021” are changed to “2022” and references to “2020” are changed to “2021.”
- **Clarifications and Stylistic Changes:** In a number of instances, additional non-substantive clarifications and minor stylistic changes, such as typos and spacing, are also made.

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Interested parties may file comments **on or before August 2, 2021.**

All pleadings are to reference **WC Docket No. 06-122**. Comments may be filed using the Commission’s Electronic Comment Filing System (ECFS) or by filing paper copies.<sup>5</sup>

- *Electronic Filers:* Comments may be filed electronically using the Internet by accessing the ECFS: <http://fjallfoss.fcc.gov/ecfs2/>.
- *Paper Filers:* Parties who choose to file by paper must file an original and one copy of each filing.

Filings can be sent by commercial overnight courier or by first-class or overnight U.S. Postal Service mail.<sup>6</sup> All filings must be addressed to the Commission’s Secretary, Office of the Secretary, Federal Communications Commission.

- Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.
- U.S. Postal Service first-class, Express, and Priority mail must be addressed to 45 L Street, NE, Washington DC 20554.
- **People with Disabilities:** To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an e-mail to [fcc504@fcc.gov](mailto:fcc504@fcc.gov) or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

In addition, we request that one copy of each pleading be sent to each of the following:

- (1) Veronica Garcia-Ulloa, Telecommunications Access Policy Division, Wireline Competition Bureau, 45 L Street, NE, Washington, DC 20554; e-mail: [Veronica.Garcia-Ulloa@fcc.gov](mailto:Veronica.Garcia-Ulloa@fcc.gov); and
- (2) Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau, 45 L Street, NE, Washington, DC 20554; e-mail: [Charles.Tyler@fcc.gov](mailto:Charles.Tyler@fcc.gov).

The proceeding this Notice initiates shall be treated as a “permit-but-disclose” proceeding in accordance with the Commission’s *ex parte* rules.<sup>7</sup> Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the

<sup>5</sup> See *Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1999).

<sup>6</sup> In response to the COVID-19 pandemic, the FCC has closed its current hand-delivery filing location at FCC Headquarters. We encourage outside parties to take full advantage of the Commission’s electronic filing system. Any party that is unable to meet the filing deadline due to the building closure may request a waiver of the comment or reply comment deadline, to the extent permitted by law. *FCC Announces Closure of FCC Headquarters Open Window and Change in Hand Delivery Filing*, Public Notice, 35 FCC Rcd 2788 (2020).

<sup>7</sup> 47 CFR §§ 1.1200 *et seq.*

presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b). In proceedings governed by rule 1.49(f) or for which the Commission has made available a method of electronic filing, written *ex parte* presentations and memoranda summarizing oral *ex parte* presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (e.g., .doc, .xml, .ppt, searchable .pdf). Participants in this proceeding should familiarize themselves with the *Commission's ex parte* rules.

For further information, please contact Veronica Garcia-Ulloa, Telecommunications Access Policy Division, Wireline Competition Bureau, at [Veronica.Garcia-Ulloa@fcc.gov](mailto:Veronica.Garcia-Ulloa@fcc.gov) or (202) 418-0481.

**Attachments:**

- Attachment A: 2022 Form 499-A (Redline Copy)
- Attachment B: 2022 Form 499-A Instructions (Redline Copy)
- Attachment C: 2022 Form 499-Q (Redline Copy)
- Attachment D: 2022 Form 499-Q Instructions (Redline Copy)

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